

1401 Main Street, Suite 900
Columbia, SC 29201



Phone: (803) 737-0800
www.regulatorystaff.sc.gov

jnelson@regstaff.sc.gov

Jeffrey M. Nelson
Chief Counsel & Director of Legal Services

February 21, 2018

VIA ELECTRONIC FILING

Jocelyn G. Boyd, Esquire
Chief Clerk & Administrator
Public Service Commission of South Carolina
101 Executive Center Drive, Suite 100
Columbia, South Carolina 29210

Re: Notification of Proposed Subdivision and Request for Waiver of Bid Requirement to Transfer Real Property Between South Carolina Electric & Gas Company and Scout Boats in Summerville, South Carolina
Docket No. 2018-41-E

Dear Ms. Boyd:

By this letter, the South Carolina Office of Regulatory Staff ("ORS") hereby notifies the Public Service Commission of South Carolina ("Commission") that ORS has reviewed and has no objection to the filing submitted by South Carolina Electric & Gas Company ("SCE&G" or "Company") personnel. The Company's notification of proposed subdivision and request for waiver of bid requirement to transfer real property between the Company and Scout Boats. Order No. 92-931 approved certain recommendations and reporting requirements regarding real property owned by SCE&G. Among the recommendations the Company must file with the Public Service Commission of South Carolina ("Commission") before a tract of land is sub-divided into parcels that have market values of less than \$150,000 for review and to engage in a competitive bidding process for sales of property with an appraised value in excess of \$50,000.

SCE&G presently owns a 12.43-acre tract of land in Summerville, South Carolina, which was purchased for \$37,500 per acre in 2012. The 12-acre tract is adjacent to SCE&G's electric operations facility on Spaniel Lane as well as property on which Scout Boats has announced its intent to expand its existing Dorchester County operations. According to Scout Boats, the planned

Letter- Jocelyn G. Boyd, Esquire
February 21, 2018
Page 2 of 2

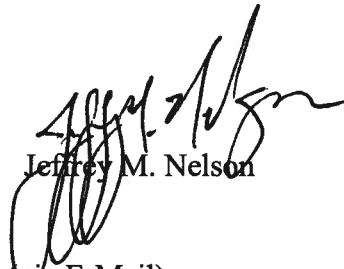
expansion represents a \$10.9 million capital investment and will create 370 new jobs.

Scout Boats approached SCE&G about the possibility of acquiring 1.91 acres in January 2017 and more recently requested an additional .688 acres for a total of 2.598-acre tract as seen outlined in red and yellow on Exhibit A of the Application. Provided the Commission grants the relief requested SCE&G has agreed to sell Scout Boats the entire 2.598-acre tract for \$134,000. Scout Boats is unaffiliated with SCANA or any of its subsidiaries and is willing to pay fair market value for the property.

In accordance with the FERC Uniform system of Accounts prescribed for public utilities, as adopted by the Commission, any gain or loss realized from this transaction will be recorded as a "Gain on Disposition of Property" or "Accumulated Provision for Depreciation of Utility Plant", as circumstances require. This request will not affect retail rates or prices, or require any change in any Commission rule, regulation or policy.

Thank you for your consideration in this matter and please do not hesitate to contact me if you have any concerns regarding the matter above.

Sincerely,



Jeffrey M. Nelson

cc: Matthew W. Gissendanner, Esquire (via E-Mail)
Joseph Melchers, Esquire (via E-Mail)